REMARKS/ARGUMENTS

Claims 1-79 are pending. Claims 1 and 39 are amended.

The Examiner has not acknowledged the IDSs that were filed February 26, 2002, July 30, 2003, October 31, 2003, and September 23, 2004. Applicants respectfully request acknowledgment of the above-mentioned IDSs by initialing and returning the attached copies of the same IDSs.

Claims 1-79 are again rejected under 35 U.S.C.§ 103(a) as being unpatentable over Whitehouse (US 6,005,945) in view of White (US 6,065,117). Applicant takes note that the current Final Office action (mailed on June 22, 2006) is the eighth Office action received from the Examiner, all of which cite Whitehouse as the primary reference. However, Applicant has repeatedly argued in detail that Whitehouse does not disclose a number of the limitations present in the independent claims. Applicant's attorney conducted two recent interviews with the Examiner on August 22, and 31, 2006, explaining in detail the differences between the Whitehouse and White references and the claimed invention. The Examiner then acknowledged that he now understands Applicants arguments regarding the system of Whitehouse.

Claim 1 includes, among other limitations, "a scalable server system capable of communicating with the client system over a communication network comprising: a database remote from the users including information about the users; a plurality of security device transaction data stored in the database for ensuring authenticity of the one or more users, wherein each security device transaction data can be processed in the server system in a stateless manner;" and "a stateless cryptographic module for authenticating the one or more users <u>using</u> one or more of the plurality of security device transaction data stored in the database." Again, Applicants respectfully submit that the combination of Whitehouse and White does not teach, nor does it suggest the claimed invention.

First, regarding the claim limitation of "wherein each security device transaction data can be processed in the server system in a stateless manner," the specification defines "stateless" as "stateless, meaning the application does not remember the specific hardware device

the <u>last transaction</u> utilized," and that "a <u>PSD package can be passed to any device</u> because the <u>application does not rely upon any information</u> about what occurred with the <u>previous PSD package</u>." (Page 8, lines 11-19). Whitehouse does not teach the above limitation because, the central computer 102 of Whitehouse stores the Customer Database 172 and the Transaction Database 174 in its <u>local memory</u> (RAM and NVM) 154. Also, the transaction database 174 stores <u>records concerning each postage indicium generated by the secure central computer</u> 102. (Col. 8, lines 30-34 and 54-61).

Therefore, "each transaction record" of Whitehouse (PSD or claimed "security device transaction data") that is processed by each central computer 102 (assuming there are more than one central computer 102), contrary to the definition of "stateless," must remember the specific hardware (that is the specific central computer 102) that the last transaction utilized. This is because the data of that last transaction is stored in a specific hardware (local RAM of the specific central computer 102). Also, a postage transaction application in each central computer 102 has to rely on what occurred with the previous PSD package (transaction data). That is, if Joe's previous transaction was performed on a first central computer and Joe's current transaction is being performed on a second central computer, the second computer needs to know what happened to Joe's previous transaction which is stored in the local memory 154 of the first computer, in order to be able to perform the current transaction correctly and completely. Otherwise, the transaction data will not be operated based on the most updated information stored in specific local memory 154 of a specific central computer 102.

As a result, a current transaction in the system of Whitehouse <u>must</u> remember the specific hardware device (first central computer 102) that the last transaction utilized and thus the second central computer 102 can NOT process the transaction data in a stateless manner, as required by the independent claim 1.

Second, regarding the claim limitation of "a stateless cryptographic module for authenticating the one or more users using one or more of the plurality of security device transaction data stored in the [remote] database," the Office action admits that Whitehouse does not disclose the limitation. White does not teach this limitation either. First, the server of

White does not "authenticate the one or more users <u>using one or more of the plurality of security device transaction data stored in the database</u>." Rather, the server of White uses an encrypted <u>token containing state information</u>. This token is actually sent by the client to the server and NOT stored in "a database remote from the users."

Once the received token is decrypted, a determination is made if the token is valid. If the state information is not valid, then the requested action is not performed by the server. Accordingly, the server of White authenticate the users using a token sent by the user to the server and NOT transaction data stored in a remote database. Additionally, White does not have a stateless cryptographic module. Rather, it has a stateless server that is capable of performing encryption.

Third, regarding the claim limitation of "a scalable server system capable of communicating with the client system," the specification defines "scalable" as "An increase in the number of servers within the server system 102 will not negatively impact the performance of the system, since the system design allows for scalability. The Server system 102 is designed in such a way that all of the business transactions are processed in the servers and not in the database. By locating the transaction processing in the servers, increases in the number of transactions can be easily handled by adding additional servers [that is scalability]." (Page 8, lines 2-10).

In the Office action, the Examiner points to the "one or more **postal service computers** 180" as the scalable server system. In the above-mentioned interviews, the Examiner pointed out that he meant the central computer 102 of Whitehouse and not the postal service computers 180. Accordingly, the Applicant hereby submits arguments that none of the central computers 102 or postal service computers 180 of Whitehouse suggest the above limitation.

The postal service computers 180 communicate only with the central computer 102 and thus are NOT capable of communicating with the client system. Also, the postal service computers 180 do NOT include a database remote from the users including information about the users; a stateless cryptographic module for authenticating the one or more users; and a plurality of security device transaction data stored in the database, as required by claim 1.

Similarly, the central computers of Whitehouse (that is a specific central computer 102) are NOT and can NOT be scalable. That is, one can NOT easily add additional central computers in the system of Whitehouse, because the entire internal memory structure (hardware) of each central computer 102 needs to be modified. This is because each central computer 102 of Whitehouse stores the Customer Database 172 and the Transaction Database 174 in its own local memory (RAM) 154 and the transaction database 174 stores records concerning each postage indicium generated by the secure central computer 102. Therefore, if one adds an additional central computer in the system, the new central computer must be able to access the local memories (RAMs) of all other existing central computers in order to stay up-to-date for all the transactions that the system performs. One skilled n the art of computer architecture would readily realize that this is NOT an easy task and requires extensive re-design of the system architecture. Therefore, the central computers of Whitehouse having stored the transaction data in their local memories 154, are not scalable.

Fourth, Applicant still fails to see any motivation to combine White with Whitehouse. The Examiner states that "the inventions disclosed in Whitehouse and White are in the same authentication environment and are therefore combinable." (Office action, page 17, last line of the first paragraph.). However, the Applicant does not dispute that Whitehouse and White are related to authentication. Rather, Applicant contends that because each of the references are individually complete and functional in itself, one skilled in the art of computer authentication would see no reason to add parts to any of them. For example, one skilled in the art of computer authentication would readily appreciate that adding the stateless server of White will not enhance the authentication of Whitehouse system, because Whitehouse system is already using encryption to protect its data.

In short, based on at least the above-mentioned **four arguments**, each of which deemed sufficient by itself, the independent claim 1 is patentable over cited references.

Independent claim 39 includes, among other limitations, "storing in the database a plurality of security device transaction data for ensuring authenticity of the one or more users, wherein each security device transaction data can be processed in the server system in a stateless

manner," and "authenticating the one or more users utilizing one or more of the plurality of security device transaction data stored in the database, by a scalable cryptographic module." As discussed above, the combination of Whitehouse and White does not teach or suggest the above limitations. Consequently, claim 39 is also patentable over cited references.

In short, independent claims 1 and 39 are patentable in view of the cited references. Dependent claims 2-38 and 40-79 depend from claims 1 and 39, respectively and include all the limitations of their base claims and additional limitations therein. Accordingly, these claims are also allowable, as being dependent from an allowable independent claim and for the additional limitations they include therein and their allowance is requested.

In view of the foregoing remarks, it is respectfully submitted that this application is now in condition for allowance, and accordingly, reconsideration and allowance of this application are respectfully requested. If the Examiner believes that a telephone conference would be useful in moving this application forward to allowance, the Examiner is encouraged to contact the undersigned at (626) 795-9900.

Respectfully submitted,

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